

# Review of the New Budget Model

Planning and Budget Committee

May 18, 2011



UNIVERSITY OF  
TORONTO

# Overview

- Objectives of the review
- Task Force principles
- Strategic findings
  - Strengths and challenges
  - Planning processes
  - Longer-term working groups
- Examples of divisional initiatives

# Objectives of the Review

1. Appraise strengths and weaknesses
2. Assess adherence to the principles outlined by the original Budget Review Task Force
3. Assess incentives and disincentives

# Task Force Principles

1. Delineated and **transparent** allocation of revenues and costs to divisions
2. **Minimize record-keeping** and transaction costs
3. Provide **incentives** for initiatives that generate revenues or reduce costs

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# Task Force Principles

4. Academic divisions should strive to cover their share of central costs, BUT: recognized that revenue and expense **cannot and should not always be balanced** at the division or program level
5. Encourage **interdivisional** activity
6. Divisions **accountable** for compliance with policies etc.

# Strategic Findings

- Improved and transparent framework for allocation of resources
- Upholds the principles of the Task Force
- Minor technicalities requiring adjustment
- Some specific issues require further analysis and consultation
- Enhanced engagement and communication

# Strengths

- Greater engagement
- Enhanced transparency
- Clearer incentives
- Improved quality and quantity of information
- Increased awareness of risk areas often leading to better risk management

# Challenges

- Must remain vigilant ensuring academic planning remains primary factor driving decisions
- Academic divisions exposed in a more varied fashion to external economic factors
- Improved inter-divisional processes must be considered as the model continues to evolve.
- More sophisticated skill set is required of senior administrators in academic divisions



# Planning Processes: some comments

## **Academic**

- Annual review meetings with Provost very valuable – timely information and communication is crucial
- Clarity on principles of UF allocations

## **Shared Services**

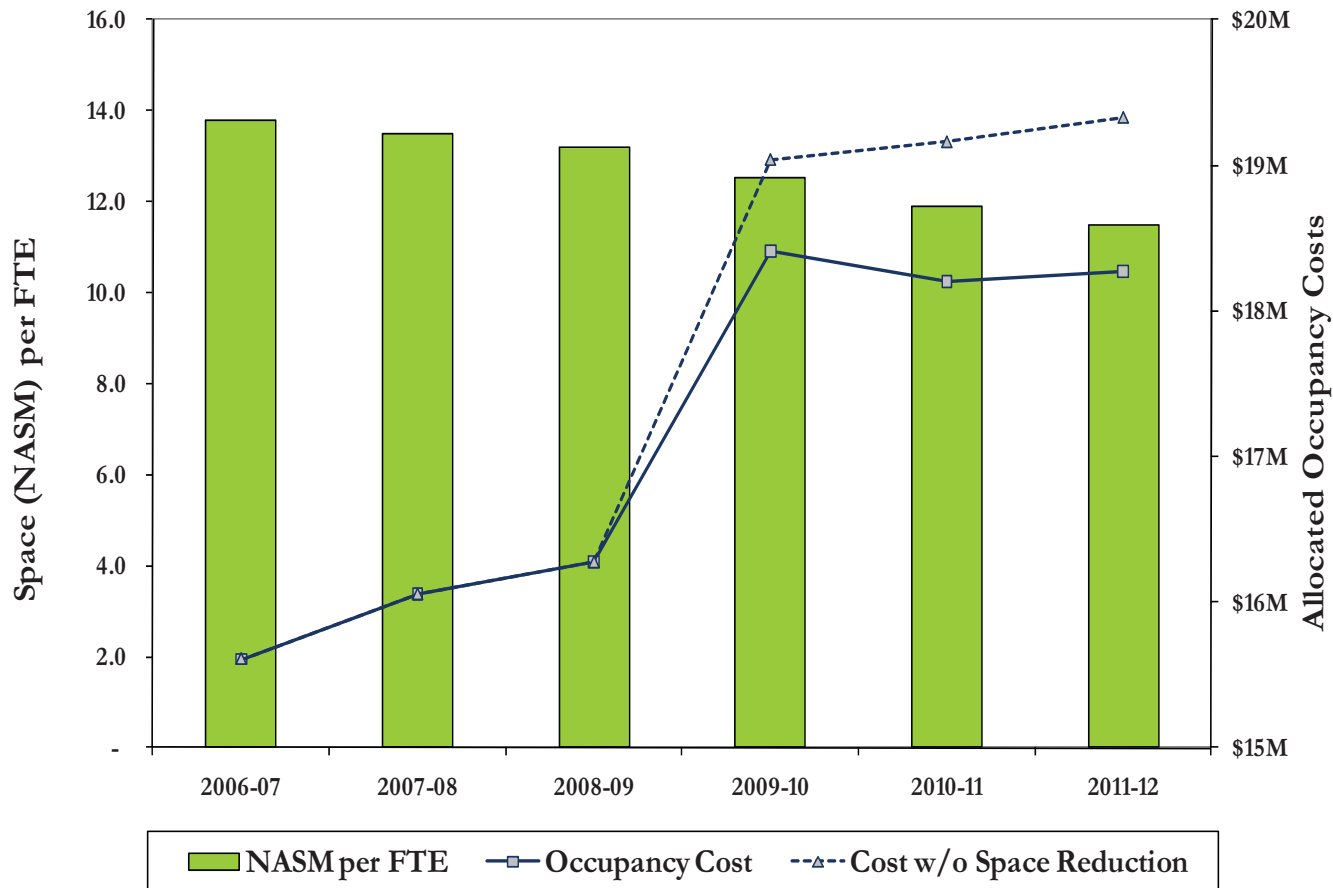
- Need for more integrated planning
- Caution against developing differential service levels
- Consider formal “middle-table” structure to support planning for shared-services

# Longer-term working groups

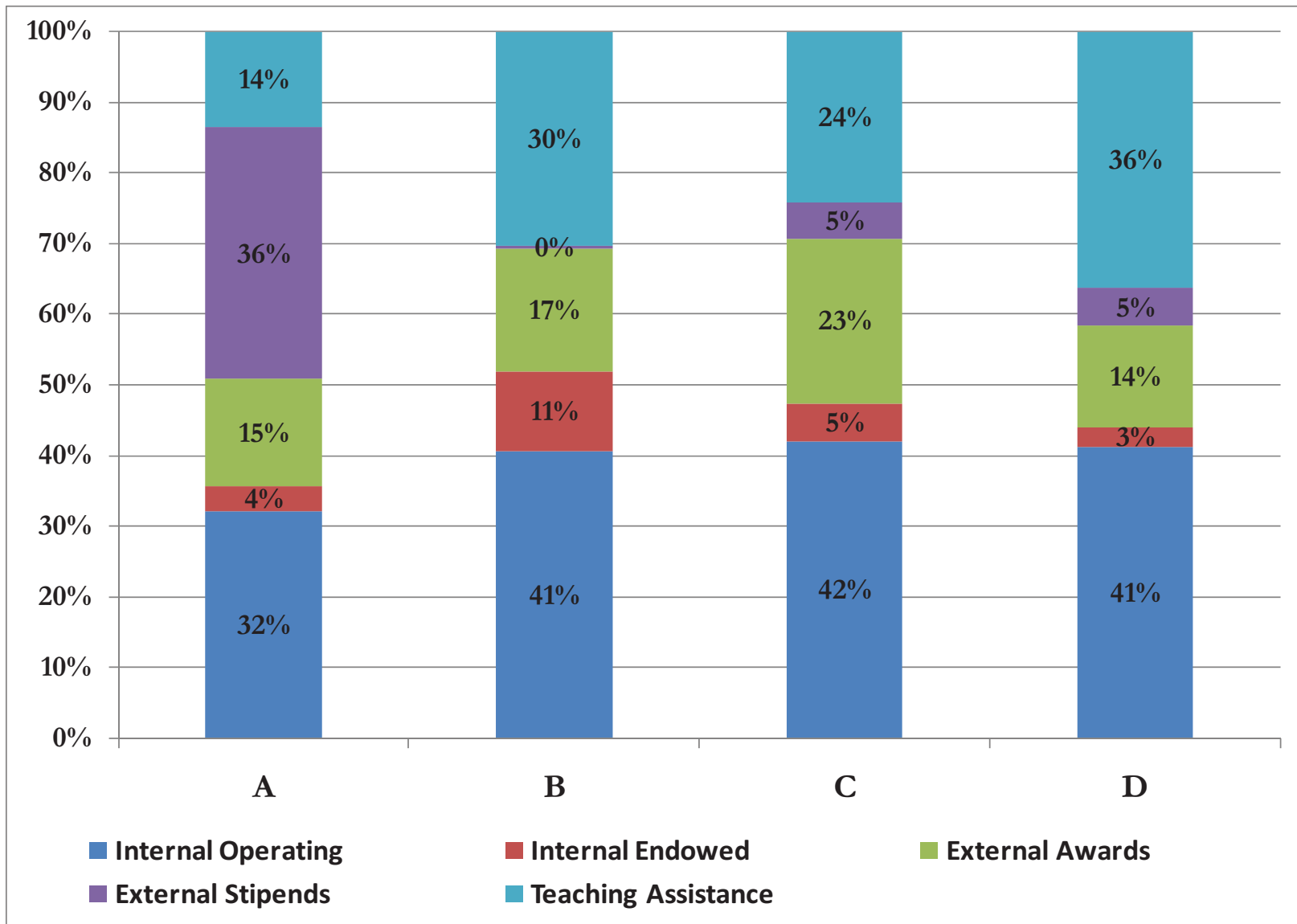
1. Analysis of tri-campus IT services and cost allocation
2. Establishment of service and funding agreements for the Human Resources services provided by PFN/PFS offices,
3. Comprehensive review of the budgetary aspects of tri-campus central and divisional libraries.

# Space Costs

Faculty of Medicine Occupancy Costs and Space per Faculty, Staff and Student FTE



# Graduate student support



# Summer Enrolment Strategy: UTM and UTSC

